

10 November 2020

Electricity Authority
PO Box 10041
Wellington 6143

By email: awarenessofudandps@ea.govt.nz

SUBMISSION on
"Guidelines for improving consumer awareness of Utilities Disputes and
Powerswitch" consultation paper

1. Introduction

Thank you for the opportunity to make a submission on the "Guidelines for improving consumer awareness of Utilities Disputes and Powerswitch" consultation paper. This submission is from Consumer NZ, New Zealand's leading consumer organisation. It has an acknowledged and respected reputation for independence and fairness as a provider of impartial and comprehensive consumer information and advice.

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2. Submission

Our answers to the questions in the consultation paper are set out in Appendix 1.

Thank you for the opportunity to make a submission. If you require any further information, please do not hesitate to contact me.

Yours sincerely



Jon Duffy
Chief executive

Appendix 1

<p>Question 1: Do you agree or disagree that guidelines to support the implementation of 11.30A to 11.30E are needed?</p> <p>As previously advised, we agree guidelines to support the implementation of 11.30A to 11.30E are necessary to clarify expectations. The provision of guidelines to support implementation should be beneficial both to retailers and consumers.</p>
<p>Question 2: Do you agree or disagree these guidelines should include information on how compliance could be achieved and visual examples?</p> <p>Yes, we agree the guidelines should include information on how compliance could be achieved, along with visual examples.</p>
<p>Question 3: Are there any additional questions that should be included in the FAQ section?</p> <p>We suggest it would be useful to include an additional Q&A, giving retailers information on how they can contact Consumer NZ if they have questions about Powerswitch or to access graphic files for use on websites. Paul Fuge, Consumer NZ Powerswitch Manager, can be contacted on 021 390 526 or paulf@consumer.org.nz.</p>
<p>Question 4: Do you have any comments on the proposed guidelines and examples provided?</p> <p>Door-to-door sales: In regard to clause 12.12, we recommend the guidelines specify that information about Powerswitch should be provided well within the cooling-off period for door-to-door sales prescribed by the Fair Trading Act. This period is five working days.</p> <p>Door-to-door sales have been a cause of consumer complaint. We consider consumers should be given information about Powerswitch at the time of the sales rep's visit. This would enable them to compare the sales rep's offering with other prices in the market and cancel within the cooling-off period should they find a better price.</p> <p>Monitoring of outcomes: To assess whether the guidelines are working, it will be important to monitor implementation and review their effectiveness. We note the guidelines include a reference to a future review. However, we recommend a timeframe for this be set.</p> <p>Regular monitoring to gauge consumer awareness of Powerswitch and Utilities Disputes will also be needed. Consumer NZ's annual electricity survey currently includes questions to assess awareness of Powerswitch. We'd be happy to discuss how this information could assist the EA in performing its monitoring functions.</p>